GOVERNMENT OF INDIA
TEXTILES
LOK SABHA

UNSTARRED QUESTION NO:2720
ANSWERED ON:01.12.2016
Revival of NTC Mills
Premachandran Shri N.K.

Will the Minister of TEXTILES be pleased to state:

(a) whether the Government proposes to revive the National Textile Corporation Mills and if so, the details thereof and the steps proposed to be taken thereon;

(b) whether the Union Government proposes to implement a revival package for the Parvathy Mills, Kollam, Kerala and if so, the details thereof;

(c) whether the Government proposes to implement a scheme for the settlement of existing employees and workers in Parvathy Mills, Kollam, Kerala; and

(d) if so, the details thereof and the steps proposed to be taken by the Government in this regard?

Answer

MINISTER OF TEXTILES
(SMT. SMRITI ZUBIN IRANI)

(a) & (b): National Textile Corporation (NTC) had been implementing Board for Industrial and Financial Reconstruction (BIFR) approved Revival Scheme MS-08 wherein, it has no mandate to revive the unviable mills closed under Industrial Dispute Act. As per the scheme, NTC has modernized its 23 mills on its own and revived 5 through Joint Venture arrangements, in the first phase. Further, in second phase, 11 mills were to be revived through the Joint Venture route with private entrepreneurs. The Parvathy Mills, Kollam, Kerala is one of the 11 mills slated for revival under Joint Venture route. NTC cancelled the Memorandum of Understanding (MoU) signed with the private partner for Joint Venture arrangement for revival of 11 Textile Mills as the Joint Venture partner failed to enter into definitive agreement with NTC within specified time as per MoU. The private partner has filed a case in the High Court of Delhi. Simultaneously, an arbitration proceeding has been instituted. The matter is sub-judice.

(c) & (d): The workers of NTC Mills are protected under the statutes and in the event of being declared surplus on account of workload settlement, etc., they are readjusted in other mills of NTC or are given benefits under Modified Voluntary Retirement Scheme (MVRS). So far, 658 employees of the Parvathy Mills have availed the benefit of MVRS at a cost of Rs.17.41 crores. As on date, there are 80 employees on the rolls in Parvathy Mills, Kollam. These employees of Parvathy Mills have requested to extend double ex-gratia under MVRS for which they are not eligible.
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